

AFFORDABLE HOUSING TASK FORCE

REPORT OF SUBCOMMITTEE 2

“DEVELOPMENT, REGULATIONS, AND INCENTIVES”

(May 9, 2003)

INTRODUCTION:

The Affordable Housing Task Force was formed in order to address local affordable housing needs for the City of San Diego. The purpose of the Task Force is to identify areas of change that will result in an increase in the City’s affordable housing stock. Subcommittee 2, the “Development, Regulations, and Incentives Subcommittee”, is responsible for identifying planning and project management improvements and suggesting incentives.

The following report includes recommendations from the Subcommittee, organized by issue, topic, and/or subject:

I. INCENTIVES FOR BUILDERS OF AFFORDABLE HOUSING:

PROCESS:

1. Adopt amendments to Council Policy 600-27, the Affordable/In-Fill Housing Expedite Program, as recommended by the City Manager. This new program will reduce the permit review process by about 50 percent.

Subcommittee 2 recommends that this Council Policy be revised as follows:

- A. “Sustainable Buildings” should be the highest priority within the Carrying Capacity section of the Policy.
 - B. Affordable “Senior Housing” should be specifically listed as a project eligible for expedited permit processing.
 - C. “Adaptable Housing” should be specifically listed as a project eligible for expedited permit processing. For this policy, adaptable housing is defined as follows: 1) housing with one zero-step entrance on an accessible path of travel; 2) doorways that are 32 inches clear throughout the floor plan; 3) basic access to at least a half bath on the main floor; 4) light switches, electrical outlets, thermostats and other controls in accessible locations; 5) reinforced walls for grab bars; 6) usable kitchens and bathrooms.
2. Adopt an amendment to the Municipal Code to provide City staff with the authority to expire discretionary permit applications after 90 days of inactivity, as recommended by the City Manager.

3. Adopt an amendment to the Municipal Code to allow affordable/in-fill housing projects to deviate from development regulations as recommended by the City Manager. This will provide a significant incentive for builders of affordable housing, and will encourage well-designed multi-unit projects within urban in-fill areas.
4. Adopt an amendment to the Municipal Code to allow applications for Tentative Parcel Maps (subdivisions of 4 lots or less) to be acted upon in accordance with Process 1 (ministerial approval).
5. Adopt an amendment to the Municipal Code to allow affordable housing projects to be acted upon in accordance with Process 1 (ministerial approval). This would only apply to projects exempt from CEQA.
6. Adopt an amendment to the Municipal Code to allow reductions in parking requirements, when warranted, for certain categories of housing including affordable and in-fill housing projects.
7. Fully fund and staff the City's Land Development Code Update Team to implement necessary Code changes to add incentives and provide expedited review and processing for affordable/in-fill housing projects. If recommendation 8.B. below is implemented, landscape planners can be reassigned to the Code Update Team.
8. Adopt and/or maintain a self-certification process for the following:
 - A. Continue to allow Registered Civil Engineers to self-certify minor engineering approvals such as grading permits and public improvements such as curb cuts, sidewalk repair, alley replacements, etc.;
 - B. Allow licensed landscape architects to self-certify for landscape plan checks;
 - C. Continue to allow City staff to contract with outside companies to provide inspection services;
 - D. Continue to allow City staff to contract with outside companies to provide plan check for structural, electrical, and mechanical reviews when it takes longer than 30 days to check plans;

FEES:

1. Reduce or eliminate the expedited review charges for affordable housing projects.
2. Reduce impact fees by 10% for all affordable development.
3. The city should exempt sustainable projects from all inclusionary fees.

II. REGULATIONS - NEW CODES OR CODE AMENDMENTS:

1. The City should support State legislation for adoption of the International Residential Code. Improved building codes can reduce building costs 7-14%. The International Residential Code is widely used throughout the country and it uses more modern technology than current California codes.
2. Encourage construction of a percentage of houses with certain universal access features for disabled persons by providing expedited review as described above in recommendation I.1C.

III. ENVIRONMENTAL/CEQA:

1. Direct City staff to implement procedures expediting affordable/in-fill housing projects, including the implementation and more liberal application of California Public Resources Code Section 21080.14, which exempts affordable housing projects of 100 units or less from CEQA, provided the project meets certain qualifications.
2. The City should work with communities City-wide to develop Master Plans for future development and conduct Master Environmental Analysis that could be used to simplify and significantly expedite the environmental review process for all subsequent land development projects, including affordable/in-fill housing projects.

IV. SUSTAINABLE BUILDINGS:

1. Encourage green power housing that meets energy star ratings and generates a percentage of projected electrical needs thus providing continuing low utility costs to enhance the affordability of the housing. City of San Diego needs to explore energy efficiency incentives that can help the developer to build a more efficient project. City of San Diego permit desk should distribute info to builders about these programs when they are submitting their project. Need to develop a handout for developers/builders.

V. INCLUSIONARY HOUSING ORDINANCE:

1. The Inclusionary Housing Ordinance should exempt projects of 4 units or less (current draft Ordinance applies to all residential projects of 2 units or more).
2. The city should exempt sustainable projects from the Inclusionary Housing Ordinance, including fees.

VI. INFRASTRUCTURE:

1. Provide infrastructure enhancement priorities to communities that accept affordable housing projects. Because older neighborhoods are concerned about community infrastructure issues, there needs to be assurance that the City will work with the developer and the community to address the deficient infrastructure issues before the project is built.
2. Create an “Infrastructure Bank” where builders may opt to leave existing alleys which are paved with asphalt and pave an unpaved alley with either concrete or asphalt in the same community. This would also apply to existing curbs and sidewalks where a different type is the requirement, but the condition of the existing is good. THIS WILL BRING INFRASTRUCTURE TO COMMUNITY WITHOUT ADDITIONAL COSTS TO THE CITY OR BUILDERS. The city would develop a map showing where alley, curbs, and sidewalks could be replaced in the various communities. Community planning groups can develop list and priorities.

VII. COMMUNITY PLANNING GROUPS:

1. Direct each Community Planning Group within the City of San Diego to propose the location of where a total of 2,500 multi-family units can be located within their community plan boundary.

Location of first 500 units no later than 11/1/03
Location of second 500 units no later than 5/1/04
Location of third 500 units no later than 11/1/04
Location of fourth 500 units no later than 5/1/05
Location of fifth 500 units no later than 11/1/05
2. Direct each planning group to identify in order of priority the specific infrastructure needs they will require to accept the foregoing density. The required public improvement must bear a reasonable economic relationship to the size of the residential project being proposed. As defined herein reasonable shall not exceed \$10,000 per dwelling unit.
3. Identified infrastructure land or improvements shall be acquired or installed and paid for by the City of San Diego (or designee) simultaneous with the construction of the specific multi-family units.
4. If for any reason a particular planning group is unable to complete this task within the timeframe set forth herein, the city planner assigned to that planning group will work closely with the planning group to complete the designation of appropriate locations.

VIII. CITY STAFF AND DEVELOPMENT SERVICES DEPARTMENT CHANGES:

1. Adopt that portion of Council Policy 600-27 which includes formulating a specialized City staff team with a Project Manager whose primary responsibility includes both acting as the single point of contact for that project, and following each affordable housing project from concept to completion. One staff person following a project reduces the total time for project review and allows the provision of a time certain review.
2. Create an ombudsman position to act as a go between for the City and the developer, who can mediate solutions to problems which can cause projects to stall indefinitely. One method to implement this recommendation includes requiring a Deputy Director (or higher level Department head) to resolve all issues and/or conflicts no later than the second review cycle for all submitted projects.
3. Development Services should be completely over hauled from top to bottom within 3 years to make the above measures the norm for all projects. This recommendation can be implemented by monitoring the success of the Affordable/In-Fill Housing Program, which includes a specialized team of staff members whose primary goal is to process projects in half the time, and implementing this process for all projects City-wide.

IX. ACCESSIBLE HOUSING TECHNICAL ADVISORY COMMITTEE:

Create a Technical Advisory Committee (TAC) to devise and effectively increase accessibility in residential developments of three units or less, through a variety of methods including but not limited to the provision of incentives. This Accessible Housing Technical Advisory Committee will report back to the City Council with recommendations within 6 months of issuance of the Affordable Housing Task Force report.